

BEFORE THE ARIZONA CORPORATION DOMMISSION

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2 2003 MAY 16 P 2: 02 MARC SPITZER Chairman AZ SORP COMMISSION JIM IRVIN 4 Commissioner Arizona Corporation Commesion INT CONTROL WILLIAM A. MUNDELL DOCKETED Commissioner JEFF HATCH-MILLER MAY 1 6 2003 6 Commissioner MIKE GLEASON 7 DOCKETED BY Commissioner 8 IN THE MATTER OF THE GENERIC Docket No. E-00000A-02-0051 9 PROCEEDINGS CONCERNING ELECTRIC RESTRUCTURING ISSUES 10 Docket No. E-01345A-01-0822 11 IN THE MATTER OF ARIZONA PUBLIC SERVICE COMPANY'S REQUEST FOR A 12 VARIANCE OF CERTAIN RÈQUIREMENTS OF A.A.C. R14-2-1606 13 14 Docket No. E-00000A-01-0630 IN THE MATTER OF THE GENERIC PROCEEDING CONCERNING THE ARIZONA 15 INDEPENDENT SCHEDULING **ADMINISTRATOR** 16 17 Docket No. E-01933A-02-0069 IN THE MATTER OF TUCSON ELECTRIC POWER COMPANY'S APPLICATION FOR A 18 VARIANCE OF CERTAIN ELECTRIC STAFF'S NOTICE OF FILING COMPETITION RULES COMPLIANCE DATES 19 INDEPENDENT MONITOR'S PRELIMINARY FINAL REPORT 20 21 Staff hereby provides its Notice of Filing Independent Monitor's Preliminary Final Report on 22 Arizona Public Service. 23 RESPECTFULLY SUBMITTED this 16th day of May, 2003. 24 25 Christopher C. Kempley Chief Counsel Janet F. Wagner, Attorney 26 Arizona Corporation Commission 1200 West Washington 27 Phoenix, Arizona 85007 (602) 542-3402 28

1	Original and ten copies of the foregoing filed this 16th day of May, 2003,
2	with:
3	Docket Control Arizona Corporation Commission 1200 West Washington Phoenix, AZ 85007
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7	The foregoing e-mailed this 16th
8	day of May, 2003, to:
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INDEPENDENT MONITOR'S PRELIMINIARY FINAL REPORT ON ARIZONA PUBLIC SERVICE COMPANY

In Decision No. 65743, the Arizona Corporation Commission (ACC) directed that within three days of Arizona Public Service Company (APS) selecting winning bids, the Independent Monitor must submit a status report on the solicitation process employed. On May 12, 2003, APS completed the Track B Solicitation. APS executed contracts with:

- Pinnacle West Energy for 1,700 MW during July through September 2003, and during June through September 2004, 2005, and 2006.
- PPL Energy Plus, LLC for 112 MW during July through September 2003, and for 150 MW during June through September 2004 and 2005.
- Panda Gila River LP for 450 MW during October 2003 and 2004, and during May 2004 and 2005; and 225 MW during November 2003 through April 2004; and 225 MW during November 2004 through April 2005.

The Independent Monitor believes the solicitation process employed by APS provided an open and fair solicitation, and the solicitation was conducted according to the solicitation process. From the Monitor's observations, APS conducted the solicitation, including the evaluation of bids, without bias towards or against any bidder.

The detailed Final Report of the Independent Monitor on the APS Track B Solicitation will be filed within two weeks, as required by Decision No. 65743.

Respectfully submitted,

Accion Group, Inc.

Independent Monitor to the ACC

May 15, 2003